

were 29 antidumping cases during calendar years 1961 through 1964. In 23 of these cases, full investigations were instituted, 4 of which were pending at the end of 1964. Of the remaining 19, 11 were dismissed, exporters agreed to adjust their prices in 3, and antidumping duties were imposed in 5.

As part of the EEC common commercial policy, the Commission has proposed to the Council a draft Community antidumping regulation to deal with third-country dumping. After duties are eliminated within the EEC, a Community antidumping policy will be necessary if the dumping of third-country exports from one member state to another is to be regulated effectively. Because duty-free treatment within EFTA countries applies only to goods of EFTA origin, no similar problem arises.⁸¹

Antidumping legislation in these countries and the proposed Community regulation conform with the GATT principles of price discrimination and injury, but administrative procedures do not adequately assure that these principles will be followed. In the absence of specific legislation and/or detailed regulations, antidumping actions sometimes resemble star-chamber proceedings in which exporters are pressured to adjust their prices under threat of antidumping duties. A determination of whether dumping prices are injurious may not play a prominent part in such proceedings—injury is often assumed.⁸²

⁸¹ Unlike government procurement, dumping among countries of the EEC and of the EFTA is not treated differently from third-country dumping. However, both the Treaty of Rome (Article 91) and the Stockholm Convention (Article 17) provide that prior to completion of the customs union and free trade area, no duties or quotas will be applied to goods upon reimportation from another member state. Such free reimportation is often an effective deterrent against dumping because, if transportation and other costs do not exceed the dumping margin, dumped goods can be shipped back again into the dumping country.

⁸² A recent antidumping action by the United Kingdom is illustrative. On March 25, 1966, the Board of Trade imposed an antidumping duty of £ 114 per ton on imports of a chemical mixture of diphenyl ether and diphenyl exported from the United States by the Dow Chemical Company. This action, which was based on a "threat of injury," resulted from a complaint on March 10 by Imperial Chemical Industries, the only U.K. producer, which was expanding its production facilities. The case was never discussed with the U.K. importer or the U.S. exporter before the antidumping duties were imposed. The duties were rescinded two months later, when Dow agreed to cease all exports of the mixture